

## CHAPTER THREE. PERSONNEL

### Subchapter 3.07: Expense and Use of Public Resources Policy

#### 3.07.010 Findings

The City Council of the Town of Colma finds:

(a) The Town takes its stewardship over the use of its limited public resources seriously.

(b) The following activities provide a substantial benefit to the public that warrant reimbursement for expense incurred if all other provisions of this subchapter are met:

(1) Attending educational seminars designed to improve elected officials' and employees' skill and information levels;

(2) Participating in regional, state and national organizations whose activities affect the Town;

(3) Communicating with state and federal officials regarding local concerns; and

(4) Promoting public service and morale by recognizing such service.

[Authority: Gov't Code §§ 36514.5, 53232.2, 53232.3]

[History: Res. 2005-59, 10/12/05; Res. 2008-48, 9/10/08]

#### 3.07.020 Policy

(a) It is the policy of the Town to reimburse Town employees and elected officials for reasonable, actual, necessary and proper expenses incurred in the performance of official duties.

(b) Proper expenses are those which meet the standards set forth in this policy. The standards set forth herein supplement the definition of actual and necessary expenses for purposes of state laws relating to permissible uses of public resources and the definition of necessary and reasonable expenses for purposes of federal and state income tax laws.

(c) This policy applies regardless of the medium of payment, e.g., charges made to a city credit card, cash advances and lines of credit.

[Authority: Gov't Code §§ 36514.5, 53232.2, 53232.3]

[History: Res. 2005-59, 10/12/05; Res. 2008-48, 9/10/08]

#### 3.07.030 Generally Authorized Expenses

(a) The following types of expenses generally constitute authorized expenses as long as the other requirements of this policy are met:

(1) Communicating with residents, government representatives, and others on Town-adopted policy positions;

(2) Attending educational seminars designed to improve skills and information levels as they relate to the job description and/or duties of the employee or elected official;

(3) A conference or similar gathering that involves a discussion of issues of general interest to the public, to public agencies represented by the employee or elected official, or to the department represented by the employee or elected official;

(4) Recognizing service to the Town (for example, thanking a longtime employee with a retirement gift or celebration of nominal value and cost);

(5) Attending Town events;

(6) Transportation to or from any authorized or required event or activity;

(7) Implementing a Town-approved strategy for attracting or retaining businesses to the Town, which will

typically involve at least one staff member; and

(8) All other expenditures of a kind approved by the City Council at an open and public meeting.

[Authority: GOV'T CODE §§ 36514.5, 53232.2, 53232.3]

[History: Res. 2005-59, 10/12/05; Res. 2008-48, 9/10/08]

### **3.07.040 Non-Allowable Expenses**

(a) The following are not proper business expenses:

(1) Personal expenses such as laundry, cleaning, valet services, tobacco, alcoholic beverages, personal telephone calls, first class travel accommodations, barber, beauty parlor, shoe shine, toiletries and personal postage;

(2) Family expenses, including spouse's or partner's expenses, as well as children- or pet-related expenses;

(3) Fines, forfeitures, parking tickets, moving violation tickets, penalties, and other expenses caused by negligence or misconduct of the employee or elected official;

(4) Loss or damage to personal property except where incurred in the normal course and scope of employment;

(5) The personal portion of any trip;

(6) Campaign or political contributions (except for informational, educational and lobbying expenses authorized by law);

(7) Charitable contributions (except charitable contributions expressly authorized by majority vote of the City Council after making a finding of a public purpose);

(8) Entertainment expenses, including theater, movies (either in-room or at the theater), sporting events

(including gym, massage and/or golf related expenses), or other cultural events; and

(9) Non-mileage personal automobile expenses, including repairs, traffic citations, insurance or gasoline.

(b) Any questions regarding the propriety of particular type of expense should be resolved by the approving authority before the expense is incurred.

(c) Expenses for which elected officials and employees receive reimbursement from another agency are not reimbursable.

[Authority: GOV'T CODE §§ 36514.5, 53232.2, 53232.3]

[History: Res. 2005-59, 10/12/05; Res. 2008-48, 9/10/08]

### **3.07.050 Attendance at Certain Organizational Activities**

(a) Expenses related to participating in regional, state and national organizations whose activities affect the Town's interests and expenses related to participating in charitable organizations may be reimbursed according to the following guidelines:

(1) The organization must have had, or it must be reasonably foreseeable that the organization will have, a measurable impact on the Town's interests, e.g., for example, participation in a local Chamber of Commerce where the number of Colma businesses can be counted or participation in a local food pantry which can estimate the number of recipients who have been residents of the Town of Colma;

(2) Dues and program expenses are reimbursable;

(3) Notwithstanding the cost limits set forth in the section below entitled "Meals," the full cost of meals are reimbursable provided that attendance at the meal serves a business purpose of the Town;

(4) Entertainment expenses, such as a golf tournament, are not reimbursable.

[Authority: Gov't Code §§ 36514.5, 53232.2, 53232.3]

[History: Res. 2005-59, 10/12/05; Res. 2008-48, 9/10/08]

### **3.07.060 Transportation**

(a) No mileage will be paid for commuting to and from City Hall or a work station. When an employee travels directly to or from his or her residence from or to any authorized or required event or activity, mileage will be determined from the employee's residence or work station to the training site or Town-related activity, whichever is shorter.

(b) The most economical mode and class of transportation reasonably consistent with scheduling needs and cargo space requirements must be used, using the most direct and time-efficient route. In the event that a more expensive transportation form or route is used, the cost borne by the Town will be limited to the cost of the most economical, direct, efficient and reasonable transportation form.

(c) Automobile mileage is reimbursable at Internal Revenue Service rates presently in effect (see [www.irs.gov](http://www.irs.gov)). These rates are designed to compensate the driver for gasoline, insurance, maintenance, and other expenses associated with operating the vehicle. This amount does not include bridge and road tolls, which are also reimbursable.

[Authority: Gov't CODE §§ 36514.5, 53232.2, 53232.3]

[History: Res. 2005-59, 10/12/05; Res. 2008-48, 9/10/08]

### **3.07.070 Meals**

(a) Reimbursement for meals will be allowed only where the employee is attending a seminar or conference as a representative of the City for a specific purpose, or where the employee's attendance will directly benefit the City. No reimbursement will be allowed for meetings that are of a social nature. The request for reimbursement of local meals should include the following information: date, place,

meeting attended and specific reason for attendance.

(b) Meal expenses and associated gratuities should be moderate, taking into account community standards and the prevailing restaurant costs of the area. A helpful source of guidance is Internal Revenue Service per diem rates for meals and incidental expenses, which include adjustments for higher costs locations (see Publication 1542 at [www.irs.gov](http://www.irs.gov) or [www.policyworks.gov/perdiem](http://www.policyworks.gov/perdiem)).

(c) Elected officials may not be reimbursed for purchasing meals for residents, legislators, private business owners, and others.

[Authority: Gov't Code §§ 36514.5, 53232.2, 53232.3]

[History: Res. 2005-59, 10/12/05; Res. 2008-48, 9/10/08]

### **3.07.080 Overnight Travel and Lodging**

(a) Lodging costs will be reimbursed or paid for when travel on official Town business reasonably requires an overnight stay. If such lodging is in connection with a conference, lodging costs should not exceed the group rate published by the conference sponsor for the meeting in question. For overnight stays in other contexts, lodging costs should be within Internal Revenue Service per diem rates for lodging (see Publication 1542 at [www.irs.gov](http://www.irs.gov) or [www.policyworks.gov/perdiem](http://www.policyworks.gov/perdiem)).

(b) Notwithstanding the foregoing, an employee with the prior approval of the City Manager, the City Manager with the prior approval of the Mayor, and any elected official, may incur higher lodging rates where the higher cost of lodging is offset by the savings in travel time by staying at a more convenient location.

(c) Hotel and motel expenses will be reimbursed on completion of authorized travel upon submittal of proper claim or lodging may be pre-arranged with payment made before travel occurs. A reasonable class of accommodation shall be selected where choice is available. The single rate should be clearly indicated on all receipts.

(d) Employees who utilize their personal vehicles on travel assignments will be allowed the IRS published mileage reimbursement

amount. Each employee who drives a private vehicle on City business must have liability insurance on said vehicle and must provide proof of insurance on request by his or her supervisor.

(e) No reimbursement for mileage shall exceed the dollar amount of round trip airfare at the coach rate on a licensed common carrier, plus auto rental or taxi fare at point of destination. When two or more employees are attending the same seminar, convention, or meeting, carpooling shall be practiced whenever possible. The actual odometer reading from City Hall to destination and return to City Hall is to be used.

(f) If an employee for his or her own convenience travels by an indirect route or interrupts travels by the most economical route, the employee shall bear any extra expense involved. Reimbursement for such travel shall be for only that part of the expense as would have been necessary.

[Authority: Gov't Code §§ 36514.5, 53232.2, 53232.3]

[History: Res. 2005-59, 10/12/05; Res. 2008-48, 9/10/08]

### **3.07.090      Parking Fees; Rental Cars**

(a) The actual cost of parking fees will be reimbursed at the most economical mode and class of parking reasonably consistent with scheduling needs.

(b) Long-term parking should be used for travel exceeding 24-hours.

(c) If it becomes necessary to rent a car, it is also required that the car rental insurance be added as provided by the car rental agency.

[Authority: Gov't Code §§ 36514.5, 53232.2, 53232.3]

[History: Res. 2005-59, 10/12/05; Res. 2008-48, 9/10/08]

### **3.07.100      Telephone/Fax/Cellular**

Employees and elected officials will be reimbursed for actual telephone and fax expenses incurred on Town business. For calls made on an employee or elected official's

personal cell phone, the employee or elected official may obtain reimbursement for business calls based on the following formula: minutes used on public business divided by the total minutes allowed under a monthly plan, plus long-distances charges for those calls.

[Authority: Gov't Code §§ 36514.5, 53232.2, 53232.3]

[History: Res. 2005-59, 10/12/05; Res. 2008-48, 9/10/08]

### **3.07.110      Tips**

Baggage handling fees of up to \$1 per bag and gratuities of up to 15 percent will be reimbursed.

[Authority: Gov't Code §§ 36514.5, 53232.2, 53232.3]

[History: Res. 2005-59, 10/12/05; Res. 2008-48, 9/10/08]

### **3.07.120      Prior Approval Required**

(a) An employee must obtain prior approval of the City Manager, or his or her Department Head, before incurring any expense other than transportation to or from any activity or event at which the employee's attendance is required as part of his or her duties.

(b) The City Manager must obtain prior approval of the City Council before incurring any of following expenses:

(1) Expenses exceeding the annual limit established in the Town's budget for the City Manager;

(2) Expenses for any event the total cost of which exceeds 40% of the annual expense limit for the City Manager; or

(3) International travel.

(c) An elected official must obtain approval of the City Council before incurring any of following expenses:

(1) Expenses which exceed the annual limits established in the Town's budget resolution for each office holder;

(2) Expenses for any event the total cost of which exceeds 40% of the annual expense limit for the office holder; or

(3) International travel.

[Authority: Gov't Code §§ 36514.5, 53232.2, 53232.3]

[History: Res. 2005-59, 10/12/05; Res. 2008-48, 9/10/08]

### **3.07.130 Cash Advance Policy**

(a) From time to time, it may be necessary for an elected official or employee to request a cash advance to cover anticipated expenses while traveling or doing business on the Town's behalf. Such request for an advance should be submitted to the City Manager at least ten (10) business days prior to the need for the advance, along with the following information:

(1) The purpose of the expenditure(s);

(2) The benefits of such expenditure to the residents of Town;

(3) The anticipated amount of the expenditure(s) (for example, hotel rates, meal costs, and transportation expenses); and

(4) The date of the expenditure(s).

(b) Any unused advance must be returned to the Town treasury within two business days of the elected official's or employee's return, along with an expense report and receipts documenting how the advance was used in compliance with this expense policy.

[Authority: Gov't Code §§ 36514.5, 53232.2, 53232.3]

[History: Res. 2005-59, 10/12/05; Res. 2008-48, 9/10/08]

### **3.07.140 Credit Card Use Policy**

Town credit cards may not be used for personal expenses, even if the elected official or employee subsequently reimburses the Town.

[Authority: Gov't Code §§ 36514.5, 53232.2, 53232.3]

[History: Res. 2005-59, 10/12/05; Res. 2008-48, 9/10/08]

### **3.07.150 Expense Report - Content and Deadline**

(a) To receive reimbursement of expenses, the elected official or employee must submit a written expense report, accompanied by receipts issued by the provider of the service or product, within 30 days of incurring the expense. Credit card invoices, by themselves, do not constitute a receipt. The inability to provide proper documentation in a timely fashion may result in the expense being borne by the elected official or employee.

(b) Expense reports must support a claim that the expense in question met the requirements of the policy. For example, if the employee seeks reimbursement for the cost of a meeting or meal with a legislator, the local agency official should explain the names of each person for whom a meal was purchased, what issues were discussed and how those relate to the Town's adopted legislative positions and priorities.

[Authority: Gov't Code §§ 36514.5, 53232.2, 53232.3]

[History: Res. 2005-59, 10/12/05; Res. 2008-48, 9/10/08]

### **3.07.160 Audits of Expense Reports**

All expenses are subject to verification of compliance with this policy.

[Authority: Gov't Code §§ 36514.5, 53232.2, 53232.3]

[History: Res. 2005-59, 10/12/05; Res. 2008-48, 9/10/08]

### **3.07.170 Reports by Elected Officials**

Within a reasonable time after attending a meeting, conference or event at Town expense, the elected official attending the event shall briefly report on the meeting at an open, public meeting. If multiple elected officials attended, a joint report may be made. The report should

briefly summarize the reason for attending and any action taken at the meeting.

[*Authority:* Gov't Code §§ 36514.5, 53232.2, 53232.3]

[*History:* Res. 2005-59, 10/12/05; Res. 2008-48, 9/10/08]

### **3.07.180 Compliance with Laws**

(a) Elected officials and employees should keep in mind that some expenditures may be subject to reporting under the Political Reform Act and other laws.

(b) All agency expenditures, including expense reports, are public records subject to disclosure under the Public Records Act.

[*Authority:* Gov't Code §§ 36514.5, 53232.2, 53232.3]

[*History:* Res. 2005-59, 10/12/05; Res. 2008-48, 9/10/08]

### **3.07.190 Violation of This Policy**

(a) Falsifying expense reports in violation of this policy may result in any or all of the following:

- (1) loss of reimbursement privileges;
- (2) a demand for restitution to the Town;
- (3) the agency's reporting the expenses as income to the elected official or employee to state and federal tax authorities; and
- (4) employee discipline up to and including termination.

[*Authority:* Gov't Code §§ 36514.5, 53232.2, 53232.3, 53232.4]

[*History:* Res. 2005-59, 10/12/05; Res. 2008-48, 9/10/08]